

*54* Annual Report of

**Matachewan Consolidated Mines,  
Limited**

McCluskey



*For the Year Ended December 31, 1970*

# Matachewan Consolidated Mines, Limited

## **DIRECTORS**

PAUL H. McCLOSKEY, M.C., B.Sc.

H. P. McCLOSKEY

A. D. HELLENS, M.C., B.Sc.

A. A. McCLOSKEY, B.Sc.

D. W. FALCONER, Q.C.

## **OFFICERS**

*President* - - - - PAUL H. McCLOSKEY

*Vice-President* - - - - H. P. McCLOSKEY

*Secretary* - - - - D. W. FALCONER

*Treasurer* - - - - E. F. BARLOW

## **TRANSFER AGENT AND REGISTRAR**

CROWN TRUST COMPANY, Toronto, Ontario

## **AUDITORS**

CLARKSON, GORDON & Co., Toronto, Ontario

## **HEAD OFFICE**

Room 1110, 55 Yonge Street, Toronto 215, Ontario

**The Annual Meeting of the Shareholders of the Company will be held in the Hunting Room, King Edward Sheraton Hotel, Toronto, on Monday, May 10, 1971, at the hour of 10:30 o'clock in the forenoon (Toronto Time).**



# Matachewan Consolidated Mines, Limited

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## *Directors' Report*

### TO THE SHAREHOLDERS:

On behalf of the Board, I submit herewith the Annual Report for the year ended December 31, 1970, including the Financial Statements and the Auditors' Report thereon.

#### **Financial**

The Company had a net loss for the year of \$13,338 and working capital decreased by \$6,192 to \$258,082. Abandoned mining claims \$2,054, along with deferred development costs of \$10,000, were written off in 1970 which accounts for the loss.

#### **Other Interests**

Your Company's equity of 16.3% in the Potash Project in Saskatchewan remained unchanged during the year. Demand for potash continues to be limited and the future prospects of this property are uncertain.

#### **Exploration**

A drill hole was put down on what appeared to be a good anomaly in the Matachewan, Ontario, area. There were no intersections of economic value, however, and the anomaly was abandoned.

Your Company optioned twelve mining claims located about 12 miles from Squamish, British Columbia, and known as the "McVicar Group" to Croydon Mines Ltd. Should the option be exercised, Matachewan will receive 300,000 shares in a new 3,000,000-share company and the right to participate up to 40% in the future financing of such company. Croydon advises that it spent \$21,879 on the optioned claims in 1970 and has indicated that further work will be carried out on the property in 1971.

Matachewan does not have plans for any further specific work to be undertaken in the immediate future.

Respectfully submitted on behalf of the Board,

P. H. McCLOSKEY,  
President.

# Matachewan Consolidated

(Incorporated under the laws of the Province of Ontario)

## Balance Sheet —

(with comparative figures for 1969)

### ASSETS

	1970	1969
<b>Current:</b>		
Cash .....	\$ 3,566	\$ 4,757
Gold certificates — at cost (market value \$11,235) .....	13,057	13,030
Marketable securities — at cost (market value, 1970 — \$133,635; 1969 — \$214,050) .....	238,966	248,040
Accounts receivable .....	2,710	2,651
	<u>258,299</u>	<u>268,478</u>
<b>Other Investments:</b>		
Investments in common shares of Sunset Yellowknife Mines Limited — at cost (note) .....	45,202	45,202
Shares of companies with no quoted market value — at cost less amounts written off .....	2,696	2,696
	<u>47,898</u>	<u>47,898</u>
<b>Mining Properties:</b>		
Mining claims at cost less amounts written off .....	39,906	41,620
Property and equipment — at nominal value .....	1	1
Deferred development and exploration costs less amounts written off .....	20,005	25,437
	<u>59,912</u>	<u>67,058</u>
	<u>\$ 366,109</u>	<u>\$ 383,434</u>

### AUDITOR'S REPORT

To the Shareholders of  
Matachewan Consolidated Mines, Limited:

We have examined the balance sheet of Matachewan Consolidated Mines, Limited, and application of funds for the year then ended. Our examination included a general review of supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of Matachewan Consolidated Mines, Limited, and application of its funds for the year then ended, in accordance with generally accepted accounting principles.  
Toronto, Canada,  
March 2, 1971.



# lated Mines, Limited

(In accordance with the laws of Ontario)

December 31, 1970

(as at December 31, 1969)

## LIABILITIES

	1970	1969
<b>Current:</b>		
Accounts payable .....	\$ 217	\$ 4,204
<b>Shareholders' Equity:</b>		
Capital stock —		
Authorized:		
7,000,000 shares of no par value		
Issued:		
5,923,250 shares .....	1,179,433	1,179,433
Deficit .....	(813,541)	(800,203)
	<u>365,892</u>	<u>379,230</u>
On behalf of the Board:		
P. H. McCLOSKEY, Director.		
D. W. FALCONER, Director.		
	<u>\$ 366,109</u>	<u>\$ 383,434</u>

**Note:** Shares of Sunset Yellowknife Mines Limited are not listed on any stock exchange and there was no market value at December 31, 1970. The chief assets of the company consist of mining claims and deferred development and exploration expenses, the economic value of which is difficult to determine.

## REPORT

and as at December 31, 1970, and the statements of profit and loss and deficit and source and review of the accounting procedures and such tests of accounting records and other

the company as at December 31, 1970, the results of its operations and the source and accounting principles applied on a basis consistent with that of the preceding year.

CLARKSON, GORDON & CO.,  
Chartered Accountants.

# Matachewan Consolidated Mines, Limited

## *Statements of Profit and Loss and Deficit*

**For the Year Ended December 31, 1970**

(with comparative figures for the year ended December 31, 1969)

### **PROFIT AND LOSS**

	<u>1970</u>	<u>1969</u>
<b>Revenue:</b>		
Gain on sale of investments .....	\$ 2,097	\$ 12,990
Interest .....	174	271
Dividends .....	6,220	3,667
Payment received under option agreement .....	1,000	
	<u>9,491</u>	<u>16,928</u>
<b>Expenses:</b>		
Legal and audit .....	900	975
Office and corporate .....	8,189	7,951
Licenses and taxes .....	1,686	1,662
Mining claims written off .....	2,054	
Deferred development and exploration costs written off .....	10,000	
	<u>22,829</u>	<u>10,588</u>
Net profit (loss) for year .....	<u>\$ (13,338)</u>	<u>\$ 6,340</u>

### **DEFICIT**

Balance, beginning of year .....	\$ 800,203	\$ 806,543
Net profit (loss) for year .....	(13,338)	6,340
Balance, end of year .....	<u>\$ 813,541</u>	<u>\$ 800,203</u>

# Matachewan Consolidated Mines, Limited

## *Statement of Source and Application of Funds*

**For the Year Ended December 31, 1970**

(with comparative figures for the year ended December 31, 1969)

	1970	1969
<b>Source of Funds:</b>		
Operations —		
Net profit (loss) for year .....	\$ (13,338)	\$ 6,340
Charges to income not resulting in an outlay of funds:		
Mining claims written off .....	2,054	
Deferred development and exploration costs written off .....	10,000	
Total funds from operations .....	<u>(1,284)</u>	<u>6,340</u>
<b>Application of Funds:</b>		
Purchase of mining claims .....	340	1,890
Deferred development and exploration costs .....	4,568	16,562
	<u>4,908</u>	<u>18,452</u>
Net decrease in working capital .....	<u>\$ 6,192</u>	<u>\$ 12,112</u>



